#### MINUTES

# MONTANA HOUSE OF REPRESENTATIVES 61st LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

Call to Order: Chairman Bob Lake, on March 11, 2009 at 9:00 A.M., in Room 152 Capitol

#### ROLL CALL

#### Members Present:

Rep. Bob Lake, Chairman (R)

Rep. Jill Cohenour, Vice Chairman (D)

Rep. Janna Taylor, Vice Chairman (R)

Rep. Dick Barrett (D)

Rep. Mark Blasdel (R)

Rep. Edward B. Butcher (R)

Rep. Wanda Grinde (D)

Rep. Robin Hamilton (D)

Rep. Brian Hoven (R)

Rep. Mike Jopek (D)

Rep. Dave McAlpin (D)

Rep. Mike Miller (R)

Rep. Art Noonan (D)

Rep. JP Pomnichowski (D)

Rep. Lee Randall (R)

Rep. J. David Roundstone (D)

Rep. Jon Sonju (R)

Rep. Wayne Stahl (R)

Rep. Chas Vincent (R)

Rep. Brady Wiseman (D)

Members Excused: None

Members Absent: None

Staff Present: Jeff Martin, Legislative Branch

Jennifer O'Loughlin, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

## Committee Business Summary:

Hearing & Date Posted: HB 640, 3/5/2009

Executive Action: HB 360; HB 395; HB 413; HB 508;

HB 624; HB 631; HB 636

#### HEARING ON HB 640

# Opening Statement by Sponsor:

00:02:03 Rep. Art Noonan (D), HD 74, opened the hearing on HB 640, Limit deduction of qualified residential interest to fund Housing Montana fund.

## Proponents' Testimony:

00:08:25 Michael O'Neil, AWARE Montana Home Choice Coalition

# EXHIBIT (tah54a01)

00:19:46 Rep. Betsy Hands, HD 99

# EXHIBIT (tah54a02)

- 00:26:35 Sheila Rice, Neighbor Works
- 00:33:22 Andrea Davis, Homeward
- 00:37:38 Tara Veazey, Montana Budget and Policy Center
- 00:39:37 Judy Smith, Montana Women Vote 00:42:07 Mathew Rude, Rocky Mountain Development Council
- 00:42:55 Beth Brenneman, Disability Rights Montana

# Opponents' Testimony:

00:44:35 Joe Roberts, Montana Association of Realtors

#### Informational Testimony:

- 00:50:41 Brian Olson, Department of Revenue
- 00:50:56 Bruce Brensdal, Executive Director, Montana Board of Housing

### Questions from Committee Members and Responses:

- 00:51:22 Rep. Miller
- 00:51:47 Mr. Brensdal
- 00:52:14 Rep. Miller
- 00:52:55 Mr. Roberts
- 00:53:35 Rep. Miller
- 00:54:05 Rep. Noonan
- 00:54:46 Rep. Miller

00:54:54 Rep. Noonan 00:55:04 Mr. O'Neil 00:56:15 Rep. Hoven 00:56:32 Rep. Hands 00:56:56 Mr. Brensdal 00:57:45 Rep. Hoven 00:57:56 Mr. Brensdal 00:58:08 Rep. Taylor 00:58:58 Mr. Brensdal 01:00:10 Rep. Taylor 01:00:37 Mr. Brensdal 01:01:12 Rep. Taylor 01:01:24 Mr. Brensdal 01:01:32 Chairman Lake 01:01:44 Mr. Brensdal 01:01:53 Chairman Lake 01:02:04 Mr. Brensdal 01:02:10 Rep. Wiseman 01:02:55 Ms. Rice 01:04:04 Rep. Wiseman 01:04:24 Ms. Rice 01:04:57 Chairman Lake 01:05:24 Rep. Noonan 01:05:30 Chairman Lake 01:05:55 Rep. Noonan 01:06:16 Chairman Lake

# Closing by Sponsor:

01:06:25 Rep. Noonan

01:12:55 Chairman Lake closed the hearing.

# Informational Presentation on Montana State Tax Expenditures

01:14:16 Marla Larson, Economist, Tax Policy and Research, DOR

# Discussion:

01:27:43 Chairman Lake 01:27:54 Rep. Miller 01:28:11 Ms. Larson 01:28:50 Rep. Wiseman 01:29:01 Ms. Larson 01:30:32 Chairman Lake 01:30:56 Break

01:48:49 Reconvene

# EXECUTIVE ACTION ON HB 360

Rep. Jopek did not return to the room.

01:49:48 Motion: Rep. Cohenour moved that HB 360 DO PASS.

## Discussion:

| 01:50:00 | Rep.  | Miller  | _      |     |           |
|----------|-------|---------|--------|-----|-----------|
| 01:50:16 | Rep.  | Cohenc  | our    |     |           |
| 01:50:41 | Rep.  | Hoven   |        |     |           |
| 01:51:10 | Chair | rman La | ake    |     |           |
| 01:51:19 | Rep.  | Cohenc  | our    |     |           |
|          |       |         |        |     |           |
| 01:51:28 | Rep.  | Sonju   | called | the | question. |
|          |       |         |        |     |           |
| 01:51:33 | Chai  | rman La | ake    |     |           |
| 01:51:37 | Rep.  | Butche  | er     |     |           |

00:52:00 <u>Vote</u>: Motion carried 14-6 by roll call vote with Rep. Blasdel, Rep. Butcher, Rep. Lake, Rep. Randall, Rep. Sonju, and Rep. Stahl voting no. Rep. Jopek and Rep. Roundstone voted by proxy.

# EXECUTIVE ACTION ON HB 395

01:53:36 Motion: Rep. McAlpin moved that HB 395 DO PASS.

## Discussion:

| 01:53:44<br>01:54:00<br>01:54:19<br>01:55:00<br>01:55:09 | Rep McAlpin Rep. Barrett Rep. Hoven Rep. Roundstone returned to the room Rep. Butcher |
|--|---|
| 01:56:22   | Rep. Sonju called the question.   |
| 01:56:26   | <u>Vote</u> : Motion failed 10-10 by roll call  |

01:56:26 <u>Vote</u>: Motion failed 10-10 by roll call vote with Rep. Barrett, Rep. Cohenour, Rep. Grinde, Rep. Hamilton, Rep. Jopek, Rep. McAlpin, Rep. Noonan, Rep. Pomnichowski, and Rep. Wiseman voting aye. Rep. Jopek voted by proxy.

#### EXECUTIVE ACTION ON HB 413

- 01:58:13 Motion: Rep. Cohenour moved that HB 413 DO PASS.
- 01:58:42 Motion: Rep. Cohenour moved that HB 413 BE AMENDED.

EXHIBIT (tah54a03)

# Discussion:

| 01:58:53 | Rep. Cohenour |
|----------|---------------|
| 02:00:51 | Rep. Wiseman  |
| 02:02:14 | Rep. Stahl    |
| 02:02:37 | Mr. Martin    |

- 02:03:10 <u>Vote</u>: Motion passed 19-1 by voice vote with Rep. Sonju voting no. Rep. Jopek voted by proxy.
- 02:03:32 Motion: Rep. Cohenour moved that HB 413 DO PASS AS AMENDED.

# Discussion:

| 02:04:10<br>02:04:50 | Rep. Miller Rep. Taylor Rep. Cohenour Chairman Lake   |
|----------------------|---|
| 02:05:30             | Rep. Grinde called the question.  |
| 02:05:51             | <u>Vote</u> : Motion carried 17-3 by voice vote with Rep. Blasdel, Rep. Sonju, and Rep. Vincent voting no. Rep. Jopek voted by proxy. |

### EXECUTIVE ACTION ON HB 508

Chairman Lake handed the gavel to Vice Chairman Taylor.

02:06:35 Motion: Rep. Lake moved that HB 508 DO PASS.

02:07:13 Motion: Rep. Lake moved that HB 508 BE AMENDED.

EXHIBIT (tah54a04)

# Discussion:

| 02:07:28 | Chairman Lake |
|----------|---------------|
| 02:08:28 | Mr. Martin    |
| 02:10:23 | Rep. Cohenour |

- 02:11:17 Rep. Butcher
- 02:11:47 Rep. Grinde
- 02:12:42 Rep. Stahl
- 02:13:21 Rep. Barrett
- 02:13:42 Rep. Lake
- 02:14:07 <u>Vote</u>: Motion carried 17-3 by roll call vote with Rep. Cohenour, Rep. Jopek, and Rep. Wiseman voting no. Rep. Jopek voted by proxy.
- 02:15:46 Motion: Rep. Lake moved that HB 508 DO PASS AS AMENDED.

## Discussion:

- 02:15:54 Rep. Barrett
- 02:16:41 Rep. Hoven
- 02:17:15 Rep. Miller
- 02:17:34 Rep. Cohenour
- 02:18:11 Vice Chairman Taylor
- 02:18:36 Rep. Lake
- 00:19:20 Rep. Sonju called the question.
- 02:19:31 <u>Vote</u>: Motion carried 11-9 by roll call vote with Rep. Barrett, Rep. Cohenour, Rep. Grinde, Rep. Hamilton, Rep. Jopek, Rep. McAlpin, Rep. Pomnichowski, Rep. Roundstone, and Rep. Wiseman voting no. Rep. Jopek voted by proxy.

Rep. Sonju left the room.

# EXECUTIVE ACTION ON HB 624

- 02:21:54 Motion: Rep. Taylor moved that HB 624 DO PASS.
- 02:22:51 Motion: Rep. Taylor moved that HB 624 BE AMENDED.

EXHIBIT (tah54a05)

# <u>Discussion</u>:

- 02:23:06 Mr. Martin
- 02:23:40 Rep. Miller called the question.
- 02:23:53 <u>Vote</u>: Motion carried unanimously by voice vote. Rep. Jopek and Rep. Sonju voted by proxy.

02:24:14 <u>Motion</u>: Rep. Taylor moved that **HB 624 DO PASS AS**AMENDED.

## Discussion:

- 02:24:24 Rep. Barrett
- 02:25:47 Rep. Sonju returned to the room.
- 02:25:53 Rep. Cohenour
- 02:26:42 Motion: Rep. Grinde moved that HB 624 BE TABLED.
- 02:26:51 <u>Vote</u>: Motion carried 12-8 by roll call vote with Rep. Blasdel, Rep. Butcher, Rep. Lake, Rep. Miller, Rep. Randall, Rep. Sonju, Rep. Stahl, and Rep. Taylor voting no. Rep. Jopek voted by proxy.

## EXECUTIVE ACTION ON HB 631

02:29:01 Motion: Rep. Taylor moved that HB 631 DO PASS.

## Discussion:

- 02:29:20 Rep. Noonan
- 02:31:17 Rep. Miller
- 02:31:36 Rep. Vincent

Rep. Butcher called the question.

02:32:14 <u>Vote</u>: Motion carried 19-1 by voice vote with Rep. Stahl voting no. Rep. Jopek voted by proxy.

### EXECUTIVE ACTION ON HB 636

- 02:32:51 Motion: Rep. Taylor moved that HB 636 DO PASS.
- 02:33:46 Motion: Rep. Taylor moved that HB 636 BE AMENDED.

EXHIBIT (tah54a06)

#### Discussion:

- 02:34:22 Mr. Martin
- 02:38:01 Rep. Butcher
- 02:38:24 Mr. Martin
- 02:38:50 Chairman Lake

- 02:39:10 Mr. Martin
  02:39:22 Chairman Lake
  02:39:30 Rep. Cohenour
  02:39:59 Chairman Lake
  02:40:13 Rep. Cohenour
  02:40:29 Rep. Sonju
  02:41:10 Rep. Wiseman
  02:42:12 Rep. Butcher
  02:43:14 Chairman Lake
  02:43:20 Rep. Wiseman
  02:43:35 Rep. Taylor
  02:44:05 Rep. Stahl
  02:44:14 Mr. Martin
  02:44:23 Rep. Stahl
  02:44:31 Rep. Cohenour
  02:44:38 Mr. Martin
- 02:44:47 Rep. Pomnichowski
- 02:46:09 Chairman Lake
- 02:46:20 Rep. Sonju
- 02:46:41 Rep. Sonju called the question.
- 02:46:53 <u>Vote</u>: Motion carried 17-3 by voice vote with Rep. Lake, Rep. Stahl, and Rep. Taylor voting no. Rep. Jopek voted by proxy.
- 02:47:11 <u>Motion</u>: Rep. Sonju moved that **HB 636 DO PASS AS**AMENDED.

#### Discussion:

- 02:47:27 Rep. Barrett 02:47:59 Rep. Cohenour 02:49:26 Rep. Sonju
- 02:49:45 Rep. Butcher called the question.
- 02:49:51 <u>Vote</u>: Motion carried 17-3 by roll call vote with Rep. Lake, Rep. Stahl, and Rep. Taylor voting no. Rep. Jopek voted by proxy.
- 02:51:45 Rep. Barrett 02:52:02 Chairman Lake

# **ADJOURNMENT**

02:52:38 Adjournment: 11:55 A.M.

Jennifer O'Loughlin, Secretary

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Additional Exhibits:

**EXHIBIT (tah54a07)** Follow-up Questions on HB 640 Hearing

Additional Documents:

EXHIBIT (tah54aad.pdf)